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Implementation Date: January 3, 2005

## Crossover Patients in New Long Term Care Hospitals (LTCH)

**Note:** This article was updated on April 5, 2013, to reflect current Web addresses. All other information remains unchanged.

### Provider Types Affected

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New Long Term Care Facilities

### Provider Action Needed

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#### **STOP – Impact to You**

Previously, when a facility operating as an acute care hospital was converted to a LTCH, patients were discharged under the IPPS (acute care) provider number and readmitted under the LTCH provider number, although the patient never left the facility.



#### **CAUTION – What You Need to Know**

This new policy will pay one discharge payment to the discharging LTCH for patients that were admitted prior to the effective date of a hospital's transition to a LTCH. Such patients are referred to as "crossover patients."



#### **GO – What You Need to Do**

You must bill the patient's entire stay under the new LTCH provider number. You must cancel any bills paid under the acute hospital provider number for patients that are still in your facility.

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

## Background

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When a hospital changes designation and provider number, the policy has been to discharge the patient under the “old” provider number and readmit the patient under the “new” provider number (Pub. 100-04, Chapter 3, Section 100.4.1 and 150.14.1). This has resulted in two payments to a facility for the same patient.

When a hospital undergoes a change in ownership or a change in classification from an acute care hospital to an LTCH, payment issues arise for “crossover” patients who were admitted prior to the change in classification and who are still hospitalized under the new provider number. Since all LTCHs are required to be certified as acute hospitals and generally be paid under the IPPS for six months prior to designation as a LTCH, in 42 CFR 412.23(e), there are “crossover patients” who were admitted to the facility when it was an acute care hospital and are still patients when the conversion to the LTCH occurs. Medicare pays twice in those cases for what was really one episode of care since separate payments are made to both the acute hospital and the LTCH.

The Centers for Medicare & Medicaid Services (CMS) is establishing a consistent policy for such situations to avoid this situation. Therefore, Medicare will issue one discharge-based payment to the hospital that discharges the patient under the applicable payment system. The payment methodology used will consider all the days of the patient stay in the facility (both prior to and following the date of LTCH designation) to be a single episode of LTCH care.

Payment for this single episode of care will include the day and cost data for that patient at both the acute care hospital and the LTCH in determining the payment to the LTCH under the LTCH PPS. Further, the days of the patient’s stay both prior to and following designation as a LTCH are counted in determining the patient’s total length of stay at the LTCH, both for payment purposes as well as for the LTCH’s average length of stay (ALOS) calculation under 42 CFR 412.23(e)(2) and (3).

This policy applies only to a patient stay in an acute care hospital that is designated as a LTCH on or after October 1, 2004.

## Additional Information

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The revised section of the *Medicare Claims Processing Manual* (Pub. 100-04, Chapter 3, Section 100.4.1 and 150.14.1) are attached to the instruction issued by CMS to your intermediary. That instruction may be found at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R267CP.pdf> on the CMS website.

If you should have questions, contact your intermediary on their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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